

Graduate School of Management – Department of Marketing – UC Davis

CONSUMER BEHAVIOR MGP and MGB 293-001

Taught by Prof. Luc Wathieu

Syllabus Draft – Subject to Change

“Consumer Behavior” offers a comprehensive learning experience that increases your ability and motivation to create appealing value propositions and to diagnose and resolve problems related to product (or service) adoption and customer retention. We rely on a mix of readings, case discussions, interactive lectures, fieldwork, and quizzes, to help you build a deep and useful understanding of the most important consumer behavior frameworks and concepts. This course is mostly relevant for prospective marketing executives, general managers, and consultants, but it is also of interest for students who want to step back and improve their grasp of decision-making and economic psychology.

CONTENTS

There will be five day-long (six hours) sessions, organized around the following themes:

- Session 1: Consumer Goals and Motivation
- Session 2: Consumer Perceptions
- Session 3: Buyer Behavior
- Session 4: Nurturing Consumer Engagement
- Session 5: Integrative Discussions

EVALUATION

- 20% Take Home Quiz 1 (individual)
- 20% Take Home Quiz 2 (individual)
(Take home quizzes involve 20 close- and open-ended questions that help participants to deepen and demonstrate their mastery of the course contents)
- 40% Consumer Insight Project (group)
(The Consumer Insight Project, coached by the instructor through a series of scheduled interactions and feedbacks, requires small groups of student to use consumer interview techniques and field observations to generate original consumer insights and recommendations in a business context of their choice.)
- 10% Group-led Discussions (group)
(Small groups, coached by the instructor, are assigned discussion leadership for one specific topic or case, requiring them to prepare a brief presentation)
- 10% Class Participation (individual)

SESSIONS DETAILS

Session 1: Consumer Goals and Motivation

This session focuses on concepts and frameworks useful to create value for the customer.

Topics:

- Introduction to the syllabus
- Importance of consumer behavior in marketing
- Alternative theories about consumer motivations
- Accounting for time, risk and uncertainty, conflicting values
- Global differences in consumer behavior
- Introduction to consumer interview and observation techniques

Session 2: Consumer Perceptions

This session focuses on consumer behavior mechanisms that need to be taken into account in effective product and communications decisions.

Required preparation:

- “PSI India: Will Balbir Pasha Help Fight AIDS? (A)” Harvard Business School Case 507-032
- “An Integrative Review of Sensory Marketing: Engaging the Sense to Affect Perception, Judgment and Behavior” by Aradhna Krishna, Journal of Consumer Psychology, 22(3), July 2012, pp. 332-351.

Topics:

- Case discussion: Will Balbir Pasha Help Fight AIDS?
- Social influences
- Theories of consumer perceptions and “Sensory Marketing”
- The role of emotions and unconscious influences in consumer behavior
- Application: rebuilding the Skoda Auto brand

Session 3: Buyer Behavior

This session focuses on factors influencing choice at the point of purchase - the retail environment and the patterns of pricing.

Required preparation:

- “What’s the Deal with LivingSocial?” Harvard Business School Case 512-065
- Submit Take Home Individual Quiz #1
- Submit Consumer Insight Project Idea

Topics:

- Case discussion: LivingSocial
- Psychological pricing
- Context effects and shopping behavior
- Choice overload effects
- Impulse and self-control
- Application: Designing the Apple Stores

Session 4: Nurturing Consumer Engagement

This session focuses on the psychology underlying branding and customer management: customer loyalty, brand relationships, engagement behavior.

Required preparation:

- “Harley Davidson: Building a Brand Through Consumer Engagement” Darden Case UV3984
- “Local Motors: Designed by the Crowd, Built by the Customer” Harvard Business School Case 510-062
- Submit Consumer Insight Project Process Plan

Topics:

- Case discussion: Harley Davidson
- Brand personality, archetypes, and cultural branding
- Case discussion: Local Motors
- Concepts of consumer engagement

Session 5: Integrative Discussions

Required Preparation:

- “eIBulli: The Taste of Innovation” Harvard Business School Case 509-015
- Consumer Insight Project Findings Presentation
- Submit Take Home Individual Quiz #2

Topics:

- Case discussion: eIBulli
- Consumer Insight Project findings presentations
- Summing up: components of a strong consumer analysis

INSTRUCTOR NOTE

Luc Wathieu joined Georgetown University's McDonough School of Business in 2010 and will be a visiting faculty at UC Davis in the Summer of 2013. Prior to that he was associate dean of faculty and the Ferrero Chair in International Marketing at ESMT in Berlin. Luc was on the permanent faculty at the Harvard Business School for ten years, and started his academic career at the Hong Kong University of Science and Technology. In his research, Luc combines economics and psychology to understand consumer behavior in contemporary settings, addressing a variety of topics including habit formation, brand loyalty, pricing psychology, and privacy preferences. He teaches courses on Marketing Management and Strategic Marketing Research in the MBA program at the McDonough School of Business, and has taught executives worldwide in the pharmaceutical, consumer goods, and technology industries. He holds a B.A. in Economics and an M.Sc. in Economic Theory from the University of Namur (Belgium), and received his PhD in Decision Sciences from INSEAD (France).